

To: Finance, Resources and Customer Services Policy Board

On: 28 March 2018

Report by: Acting Director of Development and Housing Services

Heading: Paisley Learning and Cultural Hub

1. Summary

- 1.1 The relocation of the existing Paisley Library to a new location in Paisley High Street is linked to the redevelopment of the Paisley Museum. The Museum is the flagship project of the Paisley Heritage Asset Strategy which was approved by the Council in January 2014.
 - 1.2 The Council agreed that officers take forward the commissioning of detailed studies and surveys of the building at 22 High Street between 2015-2017. This has informed a Feasibility Study for the proposed Paisley Learning and Cultural Hub.
 - 1.3 This Board paper seeks approval to progress to the next stage.
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2. Recommendations

- 2.1 It is recommended that Board:
 - i. approve Hub West Scotland as the preferred procurement route to progress the project; and
 - ii. approve the issue of a New Project Request to Hub West Scotland for the project as detailed in 3.4 to 3.11 below.
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3. Background

- 3.1 The Paisley Learning and Cultural Hub project has been developed to create a modern accessible community resource in the heart of Paisley's High Street. This project supports the aspirations of the Council Plan, and the local regeneration strategies as set out in the Renfrewshire Local Development Plan, Community Plan and Economic Framework. The Paisley Town Centre Action Plan 2016-2026 provides the local context for this key regeneration project.
- 3.2 The project has now progressed to complete the Feasibility stage and, as a result, more detailed costs are available. The Feasibility Report outlines a number of complexities which need to be tackled including: asbestos treatment and/or removal; demolition; façade retention; and a new structural build. The updated estimated total project costs currently stand at £7.0 million.
- 3.3 In line with this updated estimate the funding package for the project consists of a Council contribution of £5.5 million, augmented by a £1.5 million award from the Scottish Government Regeneration Capital Grant Fund. The Council's contribution is funded from prudential borrowing, financed by approved resources within the existing capital investment plan as reported to Council on 2 March 2018 as part of the report "Non-Housing Capital Investment Programme 2018/19 – 20/21".
- 3.4 The Council's Corporate Procurement Team has prepared a Contract Strategy for the Learning and Cultural Hub project which considered potential routes to market. This strategy considered the relative risks and benefits associated with each approach and following consideration, recommended the appointment of Hub West Scotland as the preferred delivery partner with an affordability cap of c. £5.6m for the construction element of the project.
- 3.5 Hub West Scotland provides the only viable option to secure a suitable delivery vehicle with a suitably qualified and experienced contractor and design team within the timescales required to secure the £1.5m of funding support from the Scottish Government's RCGF.
- 3.6 Hub West Scotland secured Community Benefits commitments from the main contractor within their Invitation to Tender, as agreed with the Council. The Council's project team will work with Hub West Scotland to ensure that these are targeted to the Council's Community Benefits strategy and delivered throughout the construction phase.
- 3.7 The approximate commitment to Hub West Scotland under the New Project Request, which covers Stage 1 and 2 design, is estimated to be not more than 6.03% of the construction costs, excluding VAT .This can be broken down as follows:

Design Fees: 4.5% excluding VAT.

Hub West Scotland Fee: 1.53%, excluding VAT.

- 3.8 The project team have identified the potential for an early enabling works contract which could be beneficial to the progress of the project. If this is required, a report will be submitted to the appropriate Board.
- 3.9 The costs for stage 1 and 2 design will include the following:
- Hub West Scotland to undertake all remaining surveys to inform scope, cost and programme;
 - Development of the concept design by the appointed Design Team based on confirmation from the Council of the preferred option;
 - Validation by the appointed main contractor of the Quantity Surveyor's cost plan and Affordability Cap for the project to ensure full team buy-in to the Stage 1 and 2 report to the Council;
 - Issue of Stage 1 and 2 reports to the Council, to include finalised brief, concept design, project affordability cap and programme;
 - Preparation of the required documentation for the submission of an application to the Council for Conservation Area Consent for demolition and façade retention.
- 3.10 The completion of design stages 1 and 2 are anticipated to take up to nine months from date of approval to proceed.
- 3.11 On completion of stage 1 and 2 design a further report will be submitted to the appropriate Board, requesting approval to proceed to financial close with Hub West Scotland, at which point the Council will enter into a Design and Build Development Agreement with Hub which will be subject to the agreed affordability cap.
- 3.12 For Members' information, various locations are currently being considered to house Paisley's Central Library on a temporary basis until the new Learning and Cultural Hub is completed. This temporary arrangement is a requirement of the refurbishment programme for the 4 buildings that make up the existing Museum complex.

Implications of the Report

1. **Financial** – The Council will commit £5.5 million from existing approved resources.
2. **HR & Organisational Development** – The Learning and Cultural Hub once implemented will be operated and run by Renfrewshire Leisure. Renfrewshire Leisure will determine the HR and OD specification for the operation in due course.
3. **Community Planning** –
 - Our Renfrewshire is thriving – Progressing cultural and heritage-led regeneration projects results in a stimulus to the local economy via contracts won and visitors and user numbers. The Learning and Cultural Hub can be a key partner in helping governments to achieve growth and sustainable jobs.

- Our Renfrewshire is well – The Paisley Learning and Cultural Hub will provide improved access to all services and will promote longer, healthier lives, assisting with reducing health inequalities.
 - Our Renfrewshire is fair – The Paisley Learning and Cultural Hub will provide improved access to all services including digital support for the community.
 - Reshaping our place, our economy and our future – The Paisley Learning and Cultural Hub will secure the restoration and productive re-use of a high profile vacant building which will house a flagship community facility which helps to support growth and sustainable jobs. This will also increase footfall, and the associated increased use of the High Street offers potential benefits to traders, assisting the economy of Paisley Town Centre.
4. **Legal** – The procurement exercise to establish the ability of the Council to enter into a contract with Hub West Scotland has been conducted in accordance with the EU Procurement Regulations.
 5. **Property/Assets** – The Paisley Learning and Cultural Hub is a key project within the Heritage Asset Strategy and will provide a valuable community resource as well as enabling the Paisley Museum Reimagined project to progress.
 6. **Information Technology** – None
 7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website. An Equality Impact Assessment is being prepared as part of the project requirements and relevant disability groups will be consulted as part of the process.
 8. **Health & Safety** – A Health and Safety strategy is being developed for the project and will be applied at all relevant project stages.
 9. **Procurement** – Hub West Scotland is a joint-venture organisation which is owned by both the public and private sectors. The procurement process to establish the hubco for the hub West Territory was conducted in accordance with the above EU Threshold Competitive Dialogue Procedure for Services. On 5 March 2012 the Finance and Policy Board agreed that Renfrewshire Council could participate in the Hub West Territory Partnering Agreements. This means that when developing the procurement strategy for infrastructure projects which encompass an element of design and build, partnership with Hub West can be considered as an option if it satisfies the requirement to achieve Value for Money, including adding social value through the project. A Procurement Strategy has been prepared for this project by the Corporate Procurement Unit.

10. **Risk** – A Risk Register has been produced for the project and will be managed and maintained throughout the project lifetime.
 11. **Privacy Impact** – None
 12. **Cosla Policy Position** – Not applicable
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List of Background Papers

- (a) Report to Council: 15th December 2016, 'Paisley Town Centre Regeneration (Learning and Cultural Centre)'.
- (b) Report to the Planning and Property Board: 15th March 2016, 'Paisley Library Relocation.'
- (c) Report to Leadership Board; 17 February 2016, 'Paisley Central Library Consultation Report'.
- (d) Report to Economy & Jobs Policy Board; 18 November 2015, 'The Regeneration of Paisley Town Centre – Paisley Museum'.
- (e) Report to the Economy and Jobs Board: 18th November 2015, 'Paisley Heritage Asset Strategy: Progress Report 4'.

The foregoing background papers will be retained within Development and Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Alasdair Morrison, Acting Director of Housing and Development Services, Tel: 0141 618 4664, alasdair.morrison@renfrewshire.gov.uk

AM/DMcL
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